

Todd F. Silbergeld  
Director  
Federal Regulatory

SBC Communications Inc.  
1401 I Street, N.W.  
Suite 1100  
Washington, D.C. 20005  
Phone 202 326-8888  
Fax 202 408-4806



EX PARTE OR LATE FILED

March 16, 1999

EX PARTE PRESENTATION

Magalie Roman Salas, Esq.  
Secretary  
Federal Communications Commission  
Portals II Building  
445 Twelfth Street, SW  
Washington, DC 20554

RECEIVED  
MAR 16 1999  
FEDERAL COMMUNICATIONS COMMISSION  
OFFICE OF THE SECRETARY

Re: *In the Matter of Applications for Transfer of Control to SBC  
Communications Inc. of Licenses and Authorizations Held by Ameritech  
Corporation, CC Docket No. 98-141*

Dear Ms. Salas:

Please be advised that today the attached letter was hand delivered to Commissioner Gloria Tristani with copies to Rick Chessen and Paul Gallant of Commissioner Tristani's staff. Pursuant to the Commissioner's request, the letter provides information regarding service rate levels in California after the merger of Pacific Telesis and SBC Communications.

In accordance with the Commission's rules concerning ex parte presentations, an original and two copies of this notice and the letter are attached for the record.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Todd F. Silbergeld".

Attachment

cc: The Hon. Gloria Tristani  
Mr. Chessen  
Mr. Gallant  
Mr. Krattenmaker  
Mr. Rogerson  
Ms. Carey  
Mr. Dever

No. of Copies rec'd 0+2  
List A B C D E

Dale (Zeke) Robertson  
Senior Vice President

SBC Telecommunications, Inc.  
1401 I Street, N.W.  
Suite 1100  
Washington, D.C. 20005  
Phone 202 326-8836  
Fax 202 289-3699



March 16, 1999

The Honorable Gloria Tristani  
Commissioner  
Federal Communications Commission  
445 Twelfth Street, S.W.  
Washington, D.C. 20554

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MAR 16 1999  
FEDERAL COMMUNICATIONS COMMISSION  
OFFICE OF THE SECRETARY

Re: Pacific Bell's Current and Proposed Rate Levels

Dear Commissioner Tristani:

Thank you for meeting with representatives of SBC Communications and Pacific Bell on February 22, 1999 in connection with SBC's proposed merger with Ameritech Corporation. At our meeting, we discussed in some detail allegations that Pacific Bell has sought to raise customer's basic rates since the completion of the merger of SBC and Pacific Telesis in April 1997. Claims from so-called "consumer groups" and other self-interested opponents that Pacific Bell has attempted to raise basic rates are completely false.

Pacific Bell has not increased prices for regulated service in California since the merger with SBC, and, in fact, it has initiated price reductions for some services to the tune of approximately \$265 million. This amount includes, for example, discounts offered to customers for packages of custom calling features.

Pacific Bell has proposed an increase for some services, such as directory assistance, emergency call interruption and busy line verification. With regard to such services, prices are below cost and have not increased in the last 15 years. Moreover, with respect to the proposed rate increase for directory assistance service, this change, if approved, will not affect the vast majority of residential customers as approximately 80 percent of customers do not make enough calls to directory assistance to exhaust the new proposed allowance three free calls to directory assistance per month). These requests remain pending before the California Public Utility Commission.

Pursuant to your request, I attach charts (Attachment 1) that show (1) Pacific Bell's current and proposed prices for the above-mentioned services; (2) a sampling of regulated prices for directory assistance service in other states; and (3) prices charged by the major interexchange carriers for directory assistance, busy line verification and emergency interrupt services. Attachment 2 is a bar graph that shows the current rates for directory assistance service in the United States. Please note that, presently, the rate for directory assistance charged by Pacific Bell in California is among the lowest in the country.

The Hon. Gloria Tristani  
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I hope that this information is responsive to your request. Please feel free to call me if you have any questions or if you require any additional information.

Very truly yours,

A handwritten signature in black ink, reading "Zeke Robertson". The signature is written in a cursive, flowing style.

Dale (Zeke) Robertson  
Senior Vice President

Attachment

cc: Mr. Chesson  
Mr. Gallant

**Summary of Current Prices, Proposed Prices, Price Comparisons****Pacific Bell**

	<b><u>Current Price</u></b>	<b><u>Proposed Price</u></b>
Operator Services:		
Local D.A.	\$0.25	\$0.50
Busy Line Verify	\$0.50	\$2.00
Emergency Interrupt	\$1.00	\$4.00

**Regulated DA Pricing  
Examples from Other States**

<b><u>State</u></b>	<b><u>Company</u></b>	<b><u>DA Res. Allowance</u></b>	<b><u>DA Bus. Allowance</u></b>	<b><u>DA Price</u></b>	<b><u>Busy-Line Verify Price</u></b>	<b><u>Emergency Interrupt Price</u></b>
Georgia	Bell South	1	0	\$0.85	\$6.45	\$12.50
Wisconsin	Ameritech	0	0	\$0.75	\$2.00	\$5.00
Alabama	Bell South	0	0	\$0.60	\$2.50	\$5.00
Iowa	USWest	2	2	\$0.60	\$1.45	\$2.91
Nebraska	USWest	0	0	\$0.60	\$3.00	\$6.00
West Virginia	Bell Atlantic	3	0	\$0.50	\$1.40	\$1.75
New York	Bell Atlantic	0	0	\$0.45	\$1.50	\$2.65
Colorado	USWest	1	1	\$0.40	\$3.00	\$6.00
Delaware	Bell Atlantic	2	0	\$0.35	\$1.20	\$2.00
Texas	SBC	3	3	\$0.30	\$1.35	\$2.20

**Competitors**

	<b><u>MCI</u></b>	<b><u>AT&amp;T</u></b>	<b><u>Sprint</u></b>
Directory Assistance	\$1.00	\$1.10	\$ 1.10
Busy Line Verify	NA	\$6.75	\$ 6.50
Emergency Interrupt	NA	\$6.75	\$13.00

NA = not available

# Directory Assistance Prices

